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MID-TERM REVIEWS OF COUNTRY AND INTER-COUNTRY PROGRAMMES

Mid-term review of the fourth country programme for Pakistan

I. INTRODUCTION

1. A mid-term review of the fourth country programme for Pakistan was held on 29 January 1990. It was chaired by the Secretary, Economic Affairs Division of the Ministry of Planning, Development and Finance and attended by representatives of federal ministries, provincial governments, the United Nations Children's Fund (UNICEF), the World Food Programme (WFP), the United Nations Population Fund (UNFPA), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Industrial Development Organization (UNIDO), the International Labour Organisation (ILO), the World Bank, and the Asian Development Bank (AsDB).

2. For the review, the United Nations Development Programme (UNDP) prepared an overview of programme implementation during the first three full years, (1987-1989). The Resident Representative also circulated an informal note with proposals to improve programme implementation and indicating development issues of particular concern to UNDP. Special attention was given to comparing actual with planned implementation, to identifying and analysing the constraints and problems faced, and to determining the continued relevance of the country programme objectives in light of changing national and global priorities.

II. FINANCIAL DATA

3. The fourth country programme for Pakistan had indicative planning figure (IPF) resources of $76.845 million for the period 1987-1991, including a carry-over of $11.945 million. With a supplementary IPF allocation of $6.299 million, the total resources available increased to $83.144 million (see annex).

READEX FICHE

4. By the end of 1989, $70.4 million was committed for 61 projects, leaving a balance of $12.7 million. During 1987-1989, expenditures of $34.4 million were incurred, i.e., only 41 per cent of approved resources. Thus, special efforts are needed to accelerate delivery during the last two years of the programme. The meeting welcomed the additionality and flexibility of the Project Development Facility (PDF), under which $182,000 was utilized for 11 projects.

III. PROGRAMME AND PROJECT DATA

A. Comparison of planned against actual project approvals

5. The fourth country programme includes 43 projects (seven carried over from the previous programme), of which six were not pursued, mainly because the Government had arranged alternative funding. By the end of 1989, all other projects were approved except for five, which were to be approved in early 1990, when commitments to projects were to reach $47.7 million, as against $40.2 million allocated in the country programme.

B. Projects not included in the country programme

6. During the first three years, 34 new projects were approved that were not specifically listed in the country programme. The review meeting agreed that they were accommodated within the country programme framework (see annex). The fourth country programme was approved before the seventh Five-Year Plan (1988/89-1992/93) was announced, which envisaged a minimum increase of about 15 per cent in agricultural output through substantial increases in yields. New projects were therefore developed to support the Government's efforts to increase the productivity of the crops, livestock, fisheries and forestry sub-sectors. Although not originally listed in the country programme, these projects fit in very well with its objectives.

7. The sectoral distribution of the new projects largely conformed to the Government's priorities as reflected in its annual development budgets with energy, agriculture, natural resources and industry getting the largest share.

C. Progress in programme implementation

8. Programme implementation during the first three years proceeded slower than planned, especially during the period January 1987 to June 1988, when only 10 new projects were approved, as against 32 since July 1988. Slippage also occurred in starting up projects, thus contributing to a low expenditure rate.

IV. PROGRAMME ANALYSIS

A. Reasons for deviating from the original goals and targets of the country programme

9. While implementation conformed with the basic objectives of the country programme, a number of developments influenced its contents and direction. Foremost among these is the social orientation and concerns expressed by the Government in its five-point programme (until May 1988) and by the policies and priorities announced by the Government since November 1988. Although not fully reflected in approved projects, these concerns have led to a perceptible sectoral reorientation in project identification activities (in close co-operation with the Joint Consultative Group on Policy (JCGP) partners) in favour of sectors that had traditionally received a limited share of government development resources (e.g., health and education). Attention was also given to the approval of projects in remote and less developed areas (e.g., rural Sindh, the Northern areas and Balochistan).

10. Another important development was related to the deteriorating financial position of the Government, which led to an agreement with the International Monetary Fund (IMF) in 1988 on a structural adjustment facility. The resource constraints affected not only the Government's ability to provide timely and adequate project counterpart funds but also underscored the importance of assistance in strengthening the Government's control over its financial resources and planning, monitoring and evaluation activities. This has resulted in UNDP support for such projects as control of external debt; automation of the State Bank of Pakistan; assets and liability management; automation of customs data; development planning and the establishment of national educational management information systems.

11. The review meeting recommended that for the remainder of 1990/1991 and for the fifth country programme (1992-96), consideration be given to the development of programmes in the following areas, in full co-operation with other concerned United Nations agencies:

(a) Community-based rural development programmes (education, health, water and sanitation and human settlements);

(b) Private sector support programmes;

(c) Implementation of the national conservation strategy being finalized by the Government in co-operation with the International Union for the Conservation of Natural Resources;

(d) Country-specific initiatives to help operationalize the Government's concern with human resources development;

(e) Financial and human resources management in general and aid management in particular.

B. Major implementation problems

12. Implementation was affected by slow formulation and approval of projects, and by low delivery. The main factors were discussed at the meeting and the following steps were recommended:

(a) The project formulation process should be a much more comprehensive exercise than hitherto, undertaken jointly by missions fielded by United Nations agencies and their government counterparts; it should also involve the concurrent preparation of the UNDP project document on the project formulation framework and documentation required by the Government;

(b) All possible preparatory steps should be taken for project activities to start at the specified time upon formal approval of the project document. Executing agencies were also urged to take advantage of the mechanism for early budgetary rephasal;

(c) The process of allocation of scarce government resources to development projects should be rationalized, taking into account existing commitments and projected minimum requirements as communicated by UNDP to the Government;

(d) The quality of project proposals submitted by executing and government agencies should be improved to avoid delays in appraisal and approval. In addition to more project formulation workshops, the meeting supported the use of the project formulation framework format for the submission of project proposals;

(e) In view of the shortage of qualified and experienced national professional staff, it was recommended that at the start of each project a detailed human resources development plan should be prepared and executing agencies should regularly monitor its implementation;

(f) The use of national professionals and sub-contractors should be actively and systematically promoted wherever national capabilities exist.

C. Identification of other technical assistance projects

13. While the functional, rather than the sectoral, character of the objectives of the fourth country programme allowed adjustments to new government priorities, it diminished the usefulness of the programme as a tool for project identification. Also, links established between national and inter-country projects were less the result of specific clues offered by the country programme than of the initiative of the Government and executing agencies.

14. Nevertheless, efforts have consistently been made to ensure full complementarity with the programmes of other multilateral and bilateral donors. These efforts have been especially successful where environmental issues and social concerns could be related to investment programmes.

D. Continued relevance of the country programme

15. The main thrust of the fourth country programme reflects the overall concern of the Government to ensure that available investment resources are utilized effectively. The meeting reconfirmed the relevance of these concerns.

E. Programme adjustments in response to changed requirements

16. The fourth country programme afforded enough flexibility to respond to changing requirements. Despite an adverse external balance of payments and strained resources, the Government is committed to initiating and executing programmes for increased public participation in productive sectors and in sharing the benefits of development. The Government expects the private sector to make a major contribution in this respect.

17. To this reorientation, the country programme has responded in three specific areas: private sector development; sustainable development and environmental protection; and women in development.

18. UNDP assisted the Ministry of Industries in organizing three national workshops on the private sector, which resulted in concrete recommendations for support measures.

19. Support was provided for finalizing a national conservation strategy through sponsoring five workshops, each aimed at soliciting active support for specific aspects of the strategy.

20. The Government upgraded the Women's Division into a full-fledged Ministry for Women in Development. A UNDP-supported project provides back-stopping and institutional strengthening to enable the Ministry to increase its capacity to monitor and evaluate programmes benefiting women. Moreover, in November 1989, a United Nations inter-agency mission made an analysis of the extent to which the present programmes and projects supported by the United Nations system in Pakistan take account of women-in-development concerns. This analysis will be translated into appropriate training, project identification, formulation and appraisal activities, as well as into adjustments, wherever possible, of ongoing projects.

V. RECOMMENDATIONS

21. The review concluded that the fourth country programme is essentially being implemented in accordance with its objectives and that it is responsive to emerging new requirements. No specific recommendations for a programme evaluation were made. The meeting noted the weak resource position of the Government as well as its renewed emphasis on social sector issues and the implications thereof for a reorientation of the country programme. The review endorsed several programme initiatives considered relevant in this regard in the expectation that they would also make a substantive contribution to the preparations of the fifth country programme.

22. The review noted that only 41 per cent of available country programme resources were spent during the first three years. The main constraints in programme development and project implementation were discussed and specific measures were recommended to ensure a fuller resource utilization during the last two years of the country programme.

Annex

FINANCIAL SUMMARY AS OF JANUARY 1990

I. RESOURCES TAKEN INTO ACCOUNT	At start of country programme $	At time of MTR $
IPF allocations (including third-cycle carry-over)	76 500 000	83 144 000
Government cost-sharing	-	-
Third-party cost-sharing	160 000	160 000
Subtotal of IPF-linked resources	76 660 000	83 304 000
Other funds under authority of Administrator	-	-
Total resources taken into account	76 660 000	83 304 000

II. USE OF RESOURCES a/	At start of country programme	At time of MTR
Approved projects	18 275 000	70 402 000
Pipeline projects	53 730 000	22 560 000
Unprogrammed resources	4 655 000	-
Total	76 660 000	92 962 000

a/ IPF plus cost-sharing.